

Senate Bill No. 874

An act relating to title loans; amending s. 537.002, F.S.; clarifying that ch. 537, F.S., the Florida Title Loan Act, regulates title loans to consumers; amending s. 537.003, F.S.; defining the term “consumer” for purposes of ch. 537, F.S.; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 537.002, Florida Statutes, is amended to read:

537.002 Legislative intent.—It is the intent of the Legislature in the creation of this chapter that title loans to consumers ~~shall~~ be regulated by the provisions of this act. The provisions of this act ~~shall~~ supersede any other provisions of state law affecting title loans to the extent of any conflict.

Section 2. Section 537.003, Florida Statutes, is amended to read:

537.003 Definitions.—As used in this act, unless the context otherwise requires:

(1) “Commercially reasonable” has the same meaning as used in part V of chapter 679. In addition, nonpublic sales or disposal of personal property between a title loan lender and any business affiliates of a title loan lender or a member of a title loan lender’s family are presumed not to be made in a commercially reasonable manner.

(2) “Commission” means the Financial Services Commission.

(3) “Consumer” means an individual borrowing money for personal, family, or household purposes.

~~(4)~~(3) “Office” means the Office of Financial Regulation of the commission.

~~(5)~~(4) “Executive officer” means the president, chief executive officer, chief financial officer, chief operating officer, executive vice president, senior vice president, secretary, and treasurer.

~~(6)~~(5) “Identification” means a government-issued photographic identification.

~~(7)~~(6) “Interest” means the cost of obtaining a title loan and includes any profit or advantage of any kind whatsoever that a title loan lender may charge, contract for, collect, receive, or in any way obtain as a result of a title loan.

~~(8)~~(7) “License” means a permit issued under this act to make or service title loans in accordance with this act at a single title loan office.

~~(9)~~(8) “Licensee” means a person who is licensed as a title loan lender.

~~(10)~~~~(9)~~ “Loan property” means any motor vehicle certificate of title that is deposited with a title loan lender as a security for a title loan in the course of the title loan lender’s business.

~~(11)~~~~(10)~~ “Motor vehicle” means an automobile, motorcycle, mobile home, truck, trailer, semitrailer, truck tractor and semitrailer combination, or any other vehicle operated on the public highways and streets of this state, used to transport persons or property, and propelled by power other than muscular power, but excluding a vehicle which runs only upon a track and a mobile home that is the primary residence of the owner.

~~(12)~~~~(11)~~ “Title loan” or “loan” means a loan of money to a consumer secured by bailment of a certificate of title to a motor vehicle, except such loan made by a person licensed under chapter 516, chapter 520, chapter 655, chapter 657, chapter 658, chapter 660, chapter 663, chapter 665, or chapter 667 or a person who complies with s. 687.03.

~~(13)~~~~(12)~~ “Title loan agreement” or “agreement” means a written agreement in which a title loan lender agrees to make a title loan to a borrower.

~~(14)~~~~(13)~~ “Title loan lender” or “lender” means any person who engages in the business of making or servicing title loans.

~~(15)~~~~(14)~~ “Title loan office” means the location at which, or premises from which, a title loan lender regularly conducts business under this chapter or any other location that is held out to the public as a location at which a lender makes or services title loans.

~~(16)~~~~(15)~~ “Titled personal property” means a motor vehicle that has as evidence of ownership a state-issued certificate of title except for a mobile home that is the primary residence of the borrower.

~~(17)~~~~(16)~~ “Ultimate equitable owner” means a person who, directly or indirectly, owns or controls an ownership interest in a corporation, a foreign corporation, an alien business organization, or any other form of business organization, regardless of whether such person owns or controls such ownership interest through one or more persons or one or more proxies, powers of attorney, nominees, corporations, associations, partnerships, trusts, joint stock companies, or other entities or devices, or any combination thereof.

Section 3. This act shall take effect July 1, 2008.

Approved by the Governor May 28, 2008.

Filed in Office Secretary of State May 28, 2008.